

Prior law permitted the board of trustees of the Parochial Employees' Retirement System (PERS) to collect delinquent employer contributions with interest at a rate of 6% per annum.

New law retains prior law but changes the interest rate collectible on delinquent contributions from 6% to the system's actuarial valuation rate.

Prior law had no provision requiring an employer who terminates its agreement for coverage to remit payment for the accrued liability for the benefits due its employees.

New law provides that any employer terminating employee coverage with PERS shall pay its share of the system's unfunded accrued liability existing on December 31<sup>st</sup> prior to such employer's termination of participation. The amount due shall be amortized over 10 years and may, at the option of the employer, be paid in a lump sum or equal monthly payments with interest at the system's valuation interest rate.

Effective July 1, 2010.

(Amends R.S. 11:1903(C)(2), (D), and (E))